

AO 91 (Rev. 11/11) Criminal Complaint

UNITED STATES DISTRICT COURT

for the

Northern District of California

United States of America

v.

OCTAVIO REYES

Defendant(s)

3-13-71298

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of September 4, 2013 in the county of San Mateo in the
Northern District of California, the defendant(s) violated:

Code Section

18 U.S.C. § 472

Offense Description

It is a crime, with the intent to defraud, to pass, utter, publish, or sell, or attempt to pass, utter, publish, or sell, or with the like intent bring into the United States or keep in possession or conceal any falsely made, forged, counterfeited or altered obligation or security of the United States.

Penalties: 20 years prison, \$250,000 fine, 3 years supervised, 100 special assessment

This criminal complaint is based on these facts:

See attached Affidavit of Special Agent Ryan Cave

Approved as to form: Am 1/1 Acadia L. Senese, AUSA☒ Continued on the attached sheet.

Complainant's signature

Secret Service Special Agent Ryan Cave

Printed name and title

Sworn to before me and signed in my presence.

Date:

October 18, 2013

Judge's signature

City and state: San Francisco, California

Honorable Laurel Beeler

Printed name and title

1-155-

AFFIDAVIT OF RYAN P. CAVE

I, Ryan P. Cave, after being duly sworn, depose and say as follows:

I. INTRODUCTION AND PURPOSE OF AFFIDAVIT

1. This affidavit is submitted in support of a criminal complaint against Octavio Reyes for possessing counterfeit obligations of the United States, in violation of 18 U.S.C. § 472. The facts set forth in this affidavit are based on my review of written reports, my personal observations, my training and experience, and information from other law enforcement officials. However, these facts are not all of the facts related to this investigation that I know.

II. AGENT'S BACKGROUND

2. I am a Special Agent of the United States Secret Service ("Secret Service") and have been so employed since February 2011. I am currently assigned to the Counterfeit Squad in the San Francisco Field Office. As part of my official duties, it is my responsibility to investigate counterfeiting and financial crimes including identity theft, counterfeit identifications, counterfeit currency, counterfeit traveler's checks, counterfeit corporate checks, counterfeit personal checks, as well as other cases involving counterfeit securities, bank fraud, and financial crimes. During my tenure I have completed Federal criminal investigator training at the Federal Law Enforcement Training Center, in Glynco, GA, and the specialized training at the Secret Service Training Center in Beltsville, MD. I have been trained and briefed regarding the manufacturing and printing processes involved in the production of genuine U.S. currency by representatives from Crane & Co, where U.S. currency paper is produced, and by representatives from the Bureau of Engraving and Printing, where genuine U.S. currency is printed.

3. As an agent with the Secret Service, I have participated in criminal investigations relating to identity theft, counterfeit identification, counterfeit currency, counterfeit traveler's checks, counterfeit corporate checks, counterfeit personal checks and bank fraud. I have also been briefed by and had conversations with other agents within the Secret Service about other cases involving identity theft, counterfeit currency, counterfeit traveler's checks, counterfeit corporate checks, counterfeit personal checks, as well as the crimes of bank fraud and credit card fraud. I have also conducted investigations regarding the manufacturing, distribution, and utterance of counterfeit currency. I have personally examined thousands of dollars in counterfeit

currency. I have provided training to interested parties in the security aspects of genuine currency and the detection of counterfeit currency.

III. APPLICABLE LAW

4. Title 18 U.S.C. § 472 makes it a crime to pass, with the intent to defraud, counterfeit obligations or securities of the United States. Specifically, the statute reads: “Whoever, with intent to defraud, passes, utters, publishes, or sells, or attempts to pass, utter, publish, or sell, or with like intent brings into the United States or keeps in possession or conceals any falsely made, forged, counterfeited or altered obligation or security of the United States, shall be fined under this title or imprisoned not more than 20 years, or both.”

IV. FACTS ESTABLISHING PROBABLE CAUSE

A. Octavio Reyes Possession of Counterfeit Bills

5. On September 4, 2013, the Secret Service was contacted by Special Agent Gabriel Huerta of the San Mateo County Narcotics Task Force (SMCNTF). On that day, Agent Huerta executed a search warrant pursuant to a state search warrant authorized by the Honorable Judge Joseph Bergeron on Octavio Reyes’ residence located at 807 Cypress, Avenue, South San Francisco, California for evidence pertaining to the distribution of narcotics. While conducting the search warrant, Agent Huerta found six bundles of suspected counterfeit \$100 dollar bills stuffed into the arm rest of a chair in Reyes’ home. Secret Service Special Agent Roger Roberts responded to the scene to help verify whether the bills in question were in fact counterfeit. After inspecting the bills, Agent Roberts verified that all of the bills were counterfeit. A total of \$34,200.00 in counterfeit currency was recovered from Reyes’ residence on September 4, 2013.

B. Previous Passing of Counterfeit Bills by Reyes

6. As part of my investigation, I queried NCIC/NLETS for Reyes’ criminal background. The query revealed that Reyes had been arrested on July 22, 2013, in Santa Clara, California at the Great America Theme Park for possessing counterfeit currency. At the time of that arrest, Reyes had nineteen counterfeit \$100 dollar bills on his person. According to Santa Clara Police Department officers, Reyes had both counterfeit and genuine currency mixed together in his pockets. Officers of the Santa Clara Police Department were unable to confirm if Reyes had successfully passed any of the counterfeit notes inside the theme park.

7. On September 11, 2013, I responded to the San Mateo Sheriff’s office and took

custody of the counterfeit currency seized at Reyes' residence on September 4, 2013. Once I returned back at the San Francisco Secret Service field office, I inventoried all of the counterfeit currency seized from Octavio Reyes' home. The \$34,200 in counterfeit notes shared many of the same serial numbers with each other. Based on my training and experience, I know that this means that the counterfeit notes were simply photocopies of a few genuine \$100 dollar notes.

8. On the same day, I also queried the alpha numeric identifiers of the counterfeit bills in our Financial Investigative Reporting System (FIRS). This system allows the Secret Service to track counterfeit currency as it passes throughout the country. The search revealed that eight of the notes found in Reyes' home had been passed a total of eighteen times in the Bay area.

9. Special Agent Brian Sevchek of the San Jose Service Office responded to the Santa Clara Police Department to inspect the 19 counterfeit notes Reyes had been arrested with on July 22, 2013. After inspecting the counterfeit notes it was discovered that the serial numbers from the Santa Clara, California arrest matched the serial numbers of the notes found in Reyes' home during the search warrant on September 4, 2013.

V. REQUEST TO SEAL

10. I believe that should the contents of the Affidavit and the requested arrest warrants be made public, it would jeopardize this investigation and any personnel assigned to or cooperating in this investigation. Should the existence of the Affidavit and the arrest warrant be disclosed, members and associates of the organization described above would likely be prompted to destroy or hide evidence, notify co-conspirators, or flee from prosecution. Therefore, for the foregoing reasons, and because this is an ongoing investigation, I respectfully request that this Affidavit and the requested arrest warrant be sealed until further order of the Court.

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V. CONCLUSION

11. Based on the foregoing facts, my training and experience, and consultation with other law enforcement agents with experience in counterfeiting investigations, I believe Octavio Reyes on or about September 4, 2013, in the Northern District of California, concealed and possessed counterfeit obligations of the United States with the intent to defraud, in violation of 18 U.S.C. § 472.

DATED this 18 day of October 2013.



RYAN P. CAVE
Special Agent
United States Secret Service

Subscribed and sworn to before me this 18th day of October 2013.



HONORABLE LAUREL BEELER
United States Magistrate Judge